

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company
for Recovery of Franchise Fee Remittances
Associated with Revenues for Repayment of the
Rate Reduction Bonds.

Application 05-09-009
(Filed September 8, 2005)

**ADMINISTRATIVE LAW JUDGE'S RULING
REQUESTING INFORMATION**

Decision 97-09-055 states that the dollar amount of Rate Reduction Bonds (RRBs) to be issued should be determined using the sizing methodology described in Pacific Gas and Electric Company's (PG&E) prepared testimony based on market conditions at the time the RRBs are priced (Conclusion of Law 2). Further, PG&E states that its sizing methodology included in its prepared testimony (pp. 2-3) in the RRB proceeding clearly shows that franchise fees were included in the revenue requirement calculations (Reply Brief, pp. 7-8). Thus, the bond amounts issued should have included a component for franchise fees.

Question 1

Why does PG&E request in its Application (A.) 05-09-009 that ratepayers now pay franchise fee costs when these costs should have been included in the bond amounts issued. Since ratepayers are currently repaying these bond amounts, are ratepayers being asked to pay twice for franchise fees?

IT IS RULED that Pacific Gas and Electric Company shall provide this information no later than April 28, 2006.

Dated April 18, 2006, at San Francisco, California.

/s/ BERTRAM D. PATRICK
Bertram D. Patrick
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Requesting Information on all parties of record in this proceeding or their attorneys of record.

Dated April 18, 2006, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.